

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

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Proposed Counsel to Debtor

In Re:

JESAL PATWARI,  
  
Debtor.

Case No.: 08-26178

Judge: Novalyn L. Winfield

Chapter: 11

Recommended Local Form: ☒ Followed ☐ Modified

**APPLICATION FOR RETENTION OF PROFESSIONAL**

1. The applicant, Jesal Patwari ("Patwari" or "Your Applicant"), is the

- ☐ Trustee: ☐ Chap. 7 ☐ Chap. 11 ☐ Chap. 13  
☒ Debtor: ☒ Chap. 11 ☐ Chap. 13  
☐ Official Committee of

2. Your Applicant seeks to retain the following professional Norris, McLaughlin & Marcus, PA (the "Firm") to serve as:

- ☒ Attorney for: ☐ Trustee ☒ Debtor-in-Possession  
☐ Official Committee of  
☐ Accountant for: ☐ Trustee ☐ Debtor-in-Possession  
☐ Official Committee of  
☐ Other Professional:

- ☐ Realtor      ☐ Appraiser      ☐ Special Counsel  
☐ Auctioneer      ☐ Other (specify):

3. The employment of the professional is necessary because: Your Applicant requires the retention of the Firm to represent her as its general counsel in connection with her bankruptcy proceedings.
4. The professional has been selected because: Your Applicant has selected the Firm for the reason that certain of its members have considerable experience and knowledge in the representation of debtors-in-possession, in the field of bankruptcy generally, and in other areas of law related to the effective administration of this case and for which the Firm is well qualified to represent Your Applicant as debtor-in-possession in this proceeding.
5. To the best of Your Applicant's knowledge, the professional's connection with the Debtor, creditors, any other party in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee, is as follows:
- ☐ None
- ☒ Describe connection: The Firm has previously advised Patwari and her spouse with respect to legal issues relating to four (4) Subway restaurant franchises, each of which has simultaneously herewith filed a petition for reorganization under Chapter 11 of the U.S. Bankruptcy Code. Such companies (the "Operating Debtors") include Shapat, Inc., Patwari, LLC, Shapat 2, LLC and Shapat 3, LLC. Patwari is a principal of each of the

four Operating Debtors and has guaranteed certain obligations of each.

Patwari is also principal of First Hudson Hotdogs, LLC whom the firm is representing in connection with a Chapter 11 petition filed before this Court on July 3, 2008.

In addition to that stated above, GE Franchise Finance (“GEFF”) a part of GE Capital, is a secured creditor in the Patwari and Shapat 3, LLC cases to the extent of approximately \$125,000. The firm has never represented GEFF. However, the firm does represent certain General Electric (“GE”) entities in matters unrelated to this case.

Aggregate billings by the firm on GE matters over the prior year totals is approximately \$200,000 representing less than 1% of the firm’s annual revenues. Based on the foregoing, neither Your Applicant nor the firm believes that there exists a disqualifying connection with GE which would prohibit the firm from representing Your Applicant or Shapat 3, LLC.

6. The proposed arrangement for compensation is as follows: Subject to Bankruptcy Court approval, the Firm will be compensated at its regular hourly rates. The hourly rates of the personnel who may be asked to assist with this matter range from \$260 to \$540 per hour for members’ time, from \$200 to \$290 an hour for associates’ time and from \$135 to \$160 per hour for paralegals’ time. The rates are subject to change on an annual basis. Patwari has tendered a retainer to the Firm in the amount of \$5,000.00 plus the filing fee of \$1,039.00. The retainer shall be held in the Firm’s attorney trust account pending approval of allowances from the Court.

7. To the best of the applicant’s knowledge, the professional (check all that apply):

- ☒ does not hold an adverse interest to the estate.
- ☒ does not represent an adverse interest to the estate.
- ☒ is a disinterested person under 11 U.S.C. § 101(14).
- ☐ does not represent or hold any interest adverse to the debtor or the estate with respect to the matter for which he/she will be retained under 11 U.S.C. § 327(e).
- ☐ Other; explain:

8. If the professional is an auctioneer, appraiser or realtor, the location and description of the property is as follows: N/A

WHEREFORE, the applicant respectfully requests authorization to employ the professional to render services in accordance with this application, with compensation to be paid as an administrative expense in such amounts as the Court may hereafter determine and allow.

Date: September 8, 2008

/s/ Jesal Patwari  
Signature of Applicant